

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20207
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On March 14, 2007, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner) proposing income tax, penalty, and interest for the years 1998, 1999, 2000, 2001, 2002, and 2003 in the total amount of \$7,143.

A timely protest was filed by the petitioner and her husband. A hearing was not requested by the petitioner. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioner and her husband failed to file their 1998, 1999, 2000, 2001, 2002, and 2003 individual income tax returns. On December 28, 2006, the TDB sent a letter with a questionnaire to the petitioner and her husband to help the Commission properly determine the petitioner's filing requirement. Neither the petitioner nor her husband responded to this letter. I[Redacted]. The Commission issued an NOD to the petitioner on March 14, 2007, [Redacted]

In the protest letter from the petitioner and her husband dated May 15, 2007, they stated:

We would like to appeal this determination.

I realize that you have some good information on our income, but there are other items to consider. Our income for these years could be greater or less. There are deductions for my husband's business and for my business. I inherited a house. There was rental income. Money was put into IRAs. These items could alter our tax obligation.

The problem is my filing system. I'm trying to gather this

information together---bank account, checking account, credit card info, receipts, etc. It is overwhelming. I am trying to piece this information together and then take it to an accountant.

From reading the pamphlet, I guess the best thing is to request an informal hearing. I want to work with you to get this settled.

In a note dated May 16, 2007, that was written on the petitioner's protest letter, the petitioner stated that she "would like to request some more time to prepare forms, etc."

On May 17, 2007, the TDB sent the petitioner a letter which requested that the first delinquent return be filed by June 22, 2007, and another return every three weeks.

On June 25, 2007, the TDB sent summary data to the petitioner. The Tax Enforcement Specialist (TES) enclosed the summary where all the information from all the sources was compiled.

In a letter dated July 26, 2007, the TES requested that the petitioner provide her first return by August 10, 2007, and additional returns at the rate of one every three weeks. If the petitioner's filing was not brought current, her file would be sent to the Legal/Tax Policy division for further consideration.

On August 6, 2007, the petitioner sent an e-mail in which she stated:

I want to apologize for not responding until now to your letter of 26 July 2007. My husband and I are on a long planned visit with our children and grandchildren [Redacted]. We return to Idaho on the 15th.

In the past few months, I have been working on finding documentation (other than what you had sent to me) for expenses on the rentals and the business. Going back 10 years is quite a task.

I do have an appointment with an accountant, [Redacted] the 20th of August. I should have something for him to work with by then.

On August 30, 2007, the Tax Policy Specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. A follow-up letter was sent to

the petitioner on October 17, 2007. The petitioner did not respond to either letter.

On June 23, 2008, the Policy Specialist sent the petitioner and her husband a letter which stated:

In your letter of protest dated May 3, 2007, you stated, in part:

From reading this pamphlet, I guess the best thing is to request an informal hearing. . . .

It is unclear from your letter whether or not you want an informal hearing with the Tax Commission. If you wish to have a hearing, please provide a written list of dates after July 7, 2008 when you are available. If the Commission receives no response from you within 30 days, we will assume that you do not want an informal hearing, and a decision will be issued based on material in the file.

The petitioner did not respond to this letter.

It is well settled in Idaho that an NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioner to show that the tax deficiency is erroneous. Id. Since the petitioner has failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

[Redacted] The petitioner has not provided the Commission with a contrary result to the determination of her income [Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated March 14, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioner pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$1,082	\$271	\$690	\$2,043

1999	561	140	318	1,019
2000	985	246	476	1,707
2001	443	111	182	736
2002	449	112	154	715
2003	889	222	257	<u>1,368</u>
TOTAL DUE				<u>\$7,588</u>

Interest is computed through October 23, 2008.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioner's right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2008.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2008, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.
